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10337-63981

## APPLICATION

Honorable James H. Welsh Commissioner of Conservation Louisiana Office of Conservation P.O. Box 94275 Baton Rouge. Louisiana 70804

RE: Hackberry 4 Sand, Reservoir E

Turps Field

Beauregard Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **AZIMUTH ENERGY, LLC** (successor to Zachry Exploration, Ltd.) for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters in the **Hackberry 4 Sand, Reservoir E,** in the **Turps Field**, Beauregard Parish, Louisiana, to-wit:

- 1. To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas and condensate, such unit to be designated HBY 4 RE SUA;
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units, with each tract sharing in unit production on a surface acreage basis of participation;
- 3. To provide that any future wells drilled to the Hackberry 4 Sand, Reservoir E, within or outside of the proposed unit, should be located in accordance with the spacing provisions of Statewide Order No. 29-E;

- 4. To provide that the Commissioner of Conservation should be authorized to reclassify this reservoir, by supplemental order without the necessity of a public hearing, if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and
- 5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Hackberry 4 Sand in the Turps Field was previously defined in Office of Conservation Order No. 1435, effective August 25, 1998.

This proceeding was initiated by Zachry Exploration, Ltd. and is being continued by Azimuth with the consent and approval of Zachry. A conference to discuss the proposed application and any opposition thereto was held at 9:30 a.m. on January 12, 2005, at the Onebane Law Firm, (337)-237-2660. A list of parties who attended the preapplication conference is attached. Randall C. Songy, attorney for the applicant, opened the conference with a brief discussion of the Rules of Procedure. David Comeaux, geological consultant for the applicant, explained the applicant's proposal and the geological, engineering, and other bases therefore, and answered questions. Troy Freund, geological consultant for Quatre Minerals, LLC, presented a counterplan. The conference was then adjourned. Subsequent to the conference, the applicant attempted to resolve its differences with Quatre Minerals, LLC, but was unable to do so.

Pertinent data relating to the proposed application can be obtained, <u>AT THE COST OF THE REQUESTING PARTY</u>, by contacting **David Comeaux with Leon E. Comeaux & Associates**, 305 La Rue France, Lafayette, Louisiana 70508, (337)233-9839.

There is attached hereto and made a part hereof a plat outlining the proposed unit and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herein is our check in the amount of \$755.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,

Randall C. Songy (bad)
RANDALL C. SONGY

## RCS/elg/bad

## **Enclosures**

CC:

Mr. Richard Hudson, District Manager

Office of Conservation

All Interested Owners, Interested Parties and Represented Parties

## P.S. To all Interested Owners, Represented Parties and Interested Parties:

You may have received this Application even though your property is not included in the proposed unit, because the Revised Rules of Procedure require us to attempt to also notify everyone owning an interest in the area "proximate to" the proposed unit.

Your receipt of this Application does not require you to take any action. It is meant to notify you of these proceedings so that you have the opportunity to participate if you so desire.

